1091. The relationship between the Management and the Employees of the Works continued to be cordial.

1092. The supply position of essential raw materials like fuel, charcoal, coal, coke, scrap, ore, limestone, clay and sand was satisfactory during the year.

1093. The Tariff Commission examined the claim of the oWrks for revised retention prices in respect of pig iron and steel. The Commission also examined the cost of production of cement produced by the Works along with other producers and the retention price of cement was raised by Rs. 2 per ton.

1094. Improvements were made to the Cast Iron Plate Sleepers Foundry to step up production from 5,500 tons to 7,000 tons per annum.

1095. The newly erected Cast Iron Spun Pipe Plant was put into commission during November 1957.

1096. The total value of sales made by the Works during the year amounted to Rs. 468·81 lakhs as against Rs. 451·40 lakhs during 1956-57, while the total outstandings at the end of the year stood at Rs. 53,02,584 as against Rs. 57,54,189 during 1956-57.

1097. The Ministry of Steel, Mines and Fuel, Government of India, accorded permission for the Ferro-Silicon Expansion Scheme. Under this Scheme production will be increased from 5,000 tons to 20,000 tons per annum. The total estimated cost of the scheme is Rs. 130 lakhs. Orders were placed for machinery and equipment with a Norwegian Firm on deferred terms of payment spread over five years.

1098. The employees of the Works were paid three months bonus for the year 1956-57 on 2nd October 1957.

1099. All the Educational Institutions in the Works area continued to work satisfactorily. Free Medical facilities were continued to be afforded to the employees and the members of their families in the Works' Combined Hospital.

(iv) Mines and Geology.

1100. The year 1957-58 witnessed an increased activity in mining and marketing of minerals from the areas previously covered under leases and licenses inspite of the

INDUSTRIES AND COMMERCE

tendency of falling market in the manganese ore trade during latter half of the year.

1101. The new Bill called "The Mines and Minerals (Regulation and Development) Act, 1957" received the assent of the President of India on 28th December 1957 and shall come into effect over the whole of the Indian Union from 1st June 1958.

Leases and Licenses.

1102. *Mineral Concessions.*—The following statement shows the number of mining leases, prospecting licenses, certificates of approval and quarrying licenses and leases current during the year.—

		1956-57	1957-58	Total area covered in Acres.
1	Certificate of Approval ...	454	512	...
2	Mining Leases ...	331	368	1,86,787·52
3	Prospecting Licenses ...	77	37	17,201·65
4	Quarrying Licenses ...	572	902	225·50
5	Quarry Leases (Gulbarga) Long term (of 20 years).	6	6	4,622
6	Quarry Leases-Short term (1 to 5 years).	...	20	...

1103. *Mineral Production.*—The Mineral Production for the calendar year 1957 was as follows.—

Metals.

(1) *Chromste.*—Restrictions regarding export of chrome ore were continued except in certain cases of low grade ore which were governed by issue of permits by the Department. No fresh licenses or leases were issued for exploitation of this mineral during the year.

The total quantity of chromite ore produced during the year amounted to 6,498·00 (4,281·25) tons of the value of Rs. 3,24,900 (Rs. 2,14,850).

(2) *Gold and Silver.*—The following statement shows the quantities of fine gold and silver produced by the three mining companies and their value during the year :—

(i) Kolar Gold Mining Undertakings.

(*a*) Gold :—

	Ounces	Rupees
Mysore Gold Mines ...	49,694	1,42,41,023
Champion Reef Gold Mines ...	48,911	1,40,34,501
Nundydroog Gold Mines ...	64,683	1,85,40,708
Total ...	163,283	4,68,16,232

The production of gold in the year 1956 was 1,91,178 ounces of the value of Rs. 5,24,21,635.

(*b*) Silver—

	Ounces	Rupees
Mysore Gold Mines ...	3,539	15,038
Champion Reef Gold Mines ...	3,490	14,891
Nundydroog Gold Mines ...	5,120	20,610
Total ...	12,149	50,541

The production of silver in the year 1956 was 14,017 ounces of the value of Rs. 62,101.

(ii) Hatti Gold Mines.

(*a*) Gold.—A quantity of 15,908·980 ounces of gold, valued at Rs. 45,61,016·45 was produced during the year.

(*b*) Silver.—A quantity of 1,249·70 ounces of silver, valued at Rs. 5,231·10 was produced during the year.

(3) *Iron Ore.*—The total quantity of iron ore produced during the year amounted to 3,73,809 (3,18,205) tons. Of this, a quantity of 97,380 (1,25,688) tons of ore, valued at Rs. 4,78,135·80 (Rs. 13,17,000) was produced by the Kemmangundi and Tanigebyle Mines worked by the Mysore Iron and Steel Works and directly used in the Blast Furnace. The remaining quantity of 2,76,429 (1,92,517) tons of ore was entirely exported outside India.

(4) *Manganese Ore.*—Manganese mining industry continued to thrive during the year, the total production from all the districts amounting to 3,52,150 (1,39,398·80) tons. Most of the ore was exported outside India.

1114. The production of industrial minerals and their value during the year was as follows.—

Non-Metals.

(1) Asbestos.—A quantity of 177 tons of asbestos, valued at Rs. 24,780 was mined by the Bureau of Mineral Development in Idegondanhalli of Hassan District. This material is being used as lagging compound round boilers and steam pipes.

(2) Beryl.—A quantity of 31·1 tons of beryl, valued at Rs. 15,525 was produced by Shri T. V. Seshaiah in Dodkadnur of Hassan District.

(3) Dolomite.—The Mysore Iron and Steel Works, Bhadravati, have produced for their own consumption a quantity of 3,200 tons of dolomite, valued at Rs. 60,864.

(4) Feldspar.—The Bureau of Mineral Development worked the feldspar deposits near Thondebhavi, Kolar District, and the output during the year was 1,704 tons, valued at Rs. 34,080. This material is being used in the manufacture of porcelain.

(5) Graphite.—The Bureau of Mineral Development mined a quantity of 350 tons of graphite, valued at Rs. 17,500 in Ganacharpura of Kolar District.

(6) Kaolin.—In Bageshpura of Hassan District, in Nandagudi of Bangalore District, and in Thirthahalli of Shimoga District, the Bureau of Mineral Development mined a quantity of 15,898 tons of kaolin, valued at Rs. 1,37,430. The Mysore Iron and Steel Works, Bhadravati mined during the year a quantity of 1,438 tons of fireclay at Shankargudda, valued at Rs. 18,694. A quantity of 6,153 tons of kaolin valued at Rs. 61,535 was mined by the Mysore Stoneware Pipes and Potteries, Ltd., for the manufacture of stoneware pipes and other sanitary fittings.

(6) (*a*) Ordinary Clay.—A quantity of 78,802 tons of clay was produced by the two cement companies—the Bagalkot Cement Co., Ltd., of Bijapur and the Associated Cement Companies, Ltd., of Shahabad, Gulbarga—and utilised in the manufacture of cement.

(7) Limestone.—(*a*) A quantity of 1,33,910 tons of limestone valued at Rs. 5,98,577 was produced by the Mysore Iron and Steel Works, Bhadravati during the year.

(*b*) The Bagalkot Cement Co., Ltd., Bijapur, produced a quantity of 1,35,441 tons of limestone and utilised it in the manufacture of 1,04,530 tons of cement.

(*c*) A quantity of 5,99,606 tons of limestone was produced by the Associated Cement Companies Ltd., at Shahabad and used in the manufacture of 4,34,826 tons of cement.

(8) Magnesite.—Messrs. the Tata Iron and Steel Co., Ltd., Jamshedpur, mined a quantity of 1,004 tons of magnesite, valued at Rs. 20,080.

(9) Mica.—A quantity of 1·75 tons of mica was excavated by Shri T. V. Seshaiah in Dodkadnur of Hassan District.

(10) Ochres.—A quantity of 500 tons of ochres was mined by Shri D. Chitti Babu in Hogrehalli of Chickmagalur District.

(11) Quartz.—A quantity of 9,424 tons of quartz, valued at Rs. 60,959 was mined for their own consumption by the Mysore Iron and Steel Works, Bhadravati. The Bureau of Mineral Development mined 1,909 tons of quartz from Kengeri, Bangalore District, valued at Rs. 19,090.

(12) Red Earth.—A quantity of 162·5 tons of red earth was mined in Ramghad, Bellary District.

(13) Red Oxide.—A quantity of 2,314 tons of red oxide valued Rs. 25,150 was mined in Ramghad, Bellary District.

(14) *Soapstone.*—The Bureau of Mineral Development mined a quantity of 126 tons of soapstone, round about Bageshapura in Hassan District, valued at Rs. 37,800.

1115. *Building Materials.*—From the granite quarries under the control of Department, there was a production of 32,19,152 c.ft. of the material during the year, valued at Rs. 6,00,000. Out of this quantity, 19,69,152 c.ft. of stones were produced by the quarries worked by the Kolar Gold Mining undertakings.

1116. A total quantity of 2,17,57,897 sq. ft. of stone slabs was produced from the quarries near Wadi in the Gulbarga District, valued at Rs. 26,14,093.

1117. The total value of minerals produced during 1957 in the State including gold and silver was Rs. 7,88,96,253 as against Rs. 6,26,56,434 during the year 1956. This shows a definite improvement in the exploitation of the economic mineral deposits to the advantage of the State.

1118. Restrictions imposed on the free grant of mineral concessions over Government lands, the non-issue of leases over the lands under the patta tenure and the adverse conditions in the manganese ore trade were to some extent responsible to the decline in the anticipated production of the minerals during 1957 which would otherwise have been at least double the quantities produced during the year 1956.

1119. *Movement of ores and minerals produced in the State for Shipment.*—The first shipment of iron ore on the west coast was from Honnavar port. The ore was mined from the Apsarkonda Block near Honnavar situated practically on the coast. This was followed by the shipment of the

INDUSTRIES AND COMMERCE

iron ore of the Bellary-Sandur area from the Karwar port and later of the iron ore from the Tumkur-Chitradurga area from the Mangalore port.

1120. A quantity of nearly 100,000, tons was moved to the ports of Karwar, Belikere and Mangalore during the year. The movement of ores to the ports on the east coast and Bombay continued as usual.

1121. *Bureau of Mineral Development.*—The year 1957-58 was the second year after the Bureau was declarde as an industrial concern. Till 3rd March 1958, the organisation was under the administrative control of the Department, after which, it started functioning independent of the Department as a separate body under the Board of Mineral Development.

1122. The production and value of different mineral raw materials produced by the Bureau of Mineral Development during the year were as follows :—

Mineral	Production		Sale value	
	1957	1956	1957	1956
Aluminous clay	3,417	2,400	68,340	48,000
Asbestos ...	140	87	21,000	5,550
Beryl	...	23	...	13,590
Chromite	2,594	2,406	2,12,708	1,97,292
China clay-Bageshpura ..	920	769	73,600	61,520
Do -Thirthahalli ...	8	...	960	...
Feldspar	1,315	457	26,000	9,140
Graphite	240	169	12,300	8,450
Manganese—Kumsi and Gangur ...	14,265	12,241	5,77,250	5,31,270
Manganese—Shankar ..	1,650	...	82,500	...
Manganese—Bikkonahalli ...	840	...	42,000	...
Nandagudi fire clay... ...	959	...	9,590	...
Kengeri Quartz	1,909	1,075	19,090	21,500
Raw Clay	14,850	12,220	1,33,650	1,09,980
Soapstone bricks	13,494	21,347	40,482	64,041
Thirthahalli clay	1,724	138	1,37,920	11,040
Gollahalli clay	150	...	1,350	...

Sales

1123. The sales during the year amounted to Rs. 12,00,607 registering an increase by Rs. 2,30,318 over previous year's figures.

Demand, Collection and Balance

1124. Out of a total demand Rs. 15,33,932 including the opening balance of Rs. 2,70,907, a sum of Rs. 12,11,119 was collected during the year leaving a closing balance of Rs. 3,22,813 at the end of the year.

Revenue and Expenditure of the Bureau of Mineral Development

1125. The revenue of the Bureau was Rs. 12,11,119 (Rs. 7,22,363) as against the budget estimate of Rs. 8 lakhs. The budgeted revenue expenditure for the year was for a sum of Rs. 7,40,000 and a further sum of Rs. 4,65,000 was

sanctioned towards expenditure on Five-Year Plan Schemes.

1126. An additional grant of Rs. 3,99,251 was provided to meet the enlarged scale of operations and for creating a depreciation fund. As against this, the drawings from the treasury amounted to Rs. 12,26,165 (Rs. 6,93,288).

1127. *Schemes of the Second Five-Year Plan.*—Six schemes of mineral development costing in the aggregate Rs. 49·50 lakhs were included in the Second Five-Year Plan. Of these, one scheme, *i.e.*, mineral survey and exploration and expanding the work of chemical and metallurgical laboratories costing Rs. 21·02 lakhs during the plan period, for which there was provision in the budget for the year, was dropped at the last stage owing to the non-acceptance of the scheme by the Planning Commission of the Government of India. Of the remaining five schemes, four schemes continued to be under the Bureau of Mineral Development for execution. The Department was, therefore, in direct charge of one scheme, *i.e.*, the exploration of the sulphide deposit in the Chitradurga District. The progress of the schemes during the year was satisfactory.

1128. The South Zonal Council of the Mineral Advisory Board met thrice during the year at Madras to considor ways and means of planned survey and exploration for minerals and to arrange for the geological and geophysical surveys in the States by the Geological Survey of India.

1129. The work of renovation of the statue of Sri Gomateswara the world famous monolithic statue at Sravanabelagola—continued to be carried out under the direct control of the Department of Archæology, Government of India, with suggestions from this Department.

1130. Details of revenue of the Mines and Geology Department for the year 1957-58 was as follows:— Revenue and Expenditure of the Department.

	1957–58	*1956–57*
	Rs.	Rs.
Department-proper	23,51,119	16,37,064
Bureau of Mineral Development ...	12,00 607	9,70,389
Mining Revenue from the former Bombay parts collected as Forest Revenue.	11,68,168	5,46,190
Total Revenue under Mining ...	47,19,894	31,53,643

INDUSTRIES AND COMMERCE

1131. The above revenue does not include royalty on gold produced by the Kolar Gold Mining undertakings. At present the royalty on gold is charged of separately in the accounts but is not credited to the mining revenues of this Department. Royalty on gold amounts to Rs. 25 lakhs. Thus, the total receipts by way of royalty on minerals and other items of mining revenue come to over Rs. 70·00 lakhs.

1132. The expenditure was Rs. 2,78,640 against the budget allotment of Rs. 3,50,000.

1133. The Department attended to other technical work of mineral survey, prospecting and drilling under the routine programme and participated in the Mysore Dasara Exhibition, Mysore and the Congress Exhibition at Bangalore during the year.

(v) Textiles.

HANDLOOM DEVELOPMENT SCHEMES

Cotton Handloom Industry.

Loans towards Working Capital.

1134. In accordance with the Government of India's decision that with effect from 1st April 1957 the Weavers' Co-operative Societies should obtain their credit requirements for production and marketing from the Reserve Bank of India through the State Co-operative Bank, applications for loans from Weavers' Co-operative Societies for Rs. 35 lakhs were sent to the Reserve Bank of India with necessary guarantee by the State Government.

Loans towards Share Capital.

1135. During the year, the Government of India sanctioned loans towards share capital for 9,000 weavers (for 4,000 in old Mysore region and the rest in integrated areas).

Marketing.

1136. There were 111 Sales Depots in the State opened under the Handloom Development Schemes. The Weavers' Co-operative Societies continued to market their goods through their Emporia.

Mobile Van.

1137. The two Mobile Vans in the State continued to help the Weavers' Co-operative Societies in marketing of handloom cloth in the interior parts.

Rebate on sale of handloom cloth.

1138. The payment of a rebate on sale of handloom cloth was continued during the year but the rate was reduced from 0·8 nP. to 0·6 nP. from 1st December